

Remarks

Claims 108-193 were pending in the application and all of the pending claims were rejected for reasons discussed below. Independent claim 108 was amended to include the features of claims 110 and 113 (which have been canceled). Independent claims 137 and 149 which are the corresponding system and computer program claims had the same features added. Independent claim 172 was amended to include the features of claims 175 and 176 (which have been canceled). Independent claims 186 and 190 which are the corresponding system and computer program claims had the same features added. As the claim amendments simply add features from dependent claims into independent claims the amendments do not require a further search and the claim amendments should accordingly be entered. Claims 108, 109, 111, 112, 114-174, and 177-193 are the pending claims and claims 108, 137, 149, 154, 166, 170, 172, 186 and 190 are the independent claims after entry of the amendment.

Initially it is pointed out that the Applicant submitted IDSs and 1449s on September 19, 2003 and April 5, 2004 and have not yet received signed and initialed 1449s back from the Examiner. The Applicant would hope that the Examiner has considered all the references and just not yet provided the signed and initialed 1449s. However, Applicant requests confirmation/clarification from the Examiner. That is, the Applicant requests that the Examiner forward the executed 1449s associated with references already considered. If the references have not yet been considered, Applicant respectfully requests the Examiner consider the references and supply the executed 1449s.

The Examiner rejected claims 108-153 and 172-193 under 35 USC §103(a) as being unpatentable over *Hendricks et al.* (USP 6,463,585) in view of *Hite et al.* (USP 5,774,170) and claims 154-171 under 35 USC §103(a) as being unpatentable over *Hendricks et al.* and *Hite et al.* in view of *Logan et al.* (USP 5,732,216). The rejections are respectfully traversed.

Independent claim 108 is directed to a method for delivering targeted advertisements to a subscriber with video that the subscriber selected to receive from a video on demand system.

The method includes selecting the video and determining available advertisement opportunities in the selected video. Advertisement profiles are received. The advertisement profiles define advertisement traits and intended target market traits for associated advertisements. The intended target market traits include criteria related to specific transactions of subscribers. The criteria includes presence of the specific transactions, absence of the specific transactions, or presence of a first subset of the specific transactions and absence of a second subset of the specific transactions. A first set of advertisements capable of being delivered with the video is selected by comparing the advertisement traits and the available advertisement opportunities. A second set of advertisements that are of interest to a subscriber is selected by comparing the intended target market traits and subscriber transaction data. The comparing includes searching the subscriber transaction data for the presence of the specific transactions, the absence of the specific transactions, or the presence of a first subset of the specific transactions and the absence of a second subset of the specific transactions. Targeted advertisements are selected that include advertisements that are part of both the first set of advertisements and the second set of advertisements. The selected video and the targeted advertisements are delivered to the subscriber.

The Applicant believes that neither *Hendricks et al.* nor *Hite et al.*, whether taken alone or in any reasonable combination, disclose or suggest a method as recited in independent claim 108. For example, none of the cited references disclose or suggest intended target market traits that include criteria related to specific subscriber transactions (e.g., presence of the specific transactions, absence of the specific transactions, or presence of a first subset of the specific transactions and absence of a second subset of specific transactions) or selecting advertisements that are of interest to a subscriber by comparing the intended target market traits and subscriber transaction data (e.g., searching the subscriber transaction data for the presence of the specific purchase transactions, the absence of the specific purchase transactions, or the presence of a first subset of the specific purchase transactions and the absence of a second subset of specific purchase transactions).

In fact, on pages 4 and 5 of the Final Office Action, the Examiner states that *Hendricks et al.* do not disclose advertisement profiles that include criteria related to specific subscriber transactions or selecting advertisements based on the criteria, wherein the criteria includes presence or absence of the specific transactions. The Examiner relies on *Hite et al.* for

advertisement profiles including criteria related to specific transactions and selecting advertisements based thereon. The Applicant believes that Examiner is erroneous in his contention of what *Hite et al.* discloses and that the combination of *Hendricks et al.* and *Hite et al.* would produce the embodiment captured in claim 108. However, in order to expedite prosecution of the application, the applicant has amended claim 108 to recite that the specific transactions include purchase transactions related to at least some subset of product type, products, brands, size, price, quantity, and time (features of claims 110 and 113).

It is submitted that none of the cited references disclose or suggest a method as recited in amended independent claim 108 (dependent claim 113). Even assuming that there was motivation to combine *Hendricks et al.* and *Hite et al.* (without conceding or acknowledging such) and that the Examiners assertion of what the combination would produce with respect to previously presented claim 108 was correct (without conceding or acknowledging such), the Applicant submits that none of the cited references disclose or suggest the features of amended claim 108 (original claim 113). For example, none of the cited references disclose or suggest intended target market traits that include criteria related to specific subscriber purchase transactions that are related to at least some subset of product type, products, brands, size, price, quantity, and time (e.g., presence of the specific purchase transactions, absence of the specific purchase transactions, or presence of a first subset of the specific purchase transactions and absence of a second subset of specific purchase transactions) or selecting advertisements that are of interest to a subscriber by comparing the intended target market traits and subscriber transaction data (e.g., searching the subscriber transaction data for the presence of the specific purchase transactions, the absence of the specific purchase transactions, or the presence of a first subset of the specific purchase transactions and the absence of a second subset of specific purchase transactions).

On page 6 of the Final Office Action, the Examiner asserts that Col. 20, lines 20+ of *Hendricks et al.* discloses purchase transactions that are related to at least some subset of product type, products, brands, size, price, quantity and time (e.g., consumer purchase transactions). The Applicant submits that the Examiners assertion is clearly erroneous. This section discloses raw viewer data that is gathered that can be used to move programming around within a graphical tool. While the section does mention the purchasing of a program (subscriber viewing purchase),

it clearly does not disclose or suggest the specifics of amended claim 108. In fact, the Applicant submits that neither *Hendricks et al.* nor *Hite et al.* disclose these features.

For at least the reasons discussed above, it is submitted that claim 108 is patentable over the cited references. Claims 109, 111, 112 and 114-136 depend from claim 108 and are submitted to be patentable for at least the reasons described above with respect to claim 108 and for the further features recited therein. Independent claims 137 and 149 are corresponding system and computer program claims respectively and have been amended to include the same features as independent claim 108. These claims are submitted to be patentable over the cited references for at least reasons similar to those advanced above with respect to claim 108. Claims 138-148 and 150-153 depend therefrom and are submitted to be patentable over the cited references for at least the same reasons as the claims they depend from and for the further features recited therein. Accordingly it is submitted that claims 108, 109, 111, 112 and 114-153 are patentable over the art of record.

Independent claim 172 is directed to a method for selecting targeted advertisements to a subscriber with video that the subscriber selected to receive from a video on demand system. The method includes selecting an on-demand video. Advertisement profiles are received. The advertisement profiles define criteria related to specific transactions of subscribers. The criteria includes presence of the specific transactions, absence of the specific transactions, or presence of a first subset of the specific transactions and absence of a second subset of the specific transactions. Targeted advertisements are selected by searching subscriber transaction data for the presence of the specific transactions, the absence of the specific transactions, or the presence of a first subset of the specific transactions and the absence of a second subset of the specific transactions. The selected on-demand video and the targeted advertisements are delivered to the subscriber.

It is submitted that none of the cited references disclose or suggest a method as recited in independent claim 172 for reasons similar to those advanced above with respect to claim 108. However, in order to expedite prosecution of the application, the applicant has amended claim 172 to include the same features that were amended into claim 108. That is, claim 172 was amended to recite that the specific transactions include purchase transactions related to at least

some subset of product type, products, brands, size, price, quantity, and time (features of claims 175 and 176).

For at least the reasons discussed above, it is submitted that claim 172 is patentable over the cited references. Claims 173, 174 and 177-185 depend from claim 172 and are submitted to be patentable for at least the reasons described above with respect to claim 172 and for the further features recited therein. Independent claims 186 and 190 are corresponding system and computer program claims respectively and have been amended to include the same features as independent claim 172. These claims are submitted to be patentable over the cited references for at least reasons similar to those advanced above with respect to claim 172. Claims 187-189 and 191-193 depend therefrom and are submitted to be patentable over the cited references for at least the same reasons as the claims they depend from and for the further features recited therein. Accordingly it is submitted that claims 172-174 and 177-193 are patentable over the art of record.

Independent claim 154 is directed to a method for delivering targeted advertisements to a subscriber with video that the subscriber selected to receive from a video on demand system. The method includes selecting the video and determining available advertisement opportunities in the selected video. Advertisement profiles defining advertisement traits and intended target market traits for an associated advertisement are received. A first set of advertisements capable of being delivered with the video is selected by comparing the advertisement traits and the available advertisement opportunities. A second set of advertisements that are of interest to a subscriber is selected by comparing the intended target market traits and some combination of a subscriber profile that defines traits associated with the subscriber, household demographics, traits associated with the selected video, or traits associated with previously selected videos. Targeted advertisements are selected and include a subset of advertisements that are part of both the first set of advertisements and the second set of advertisements. The selected video and the targeted advertisements are delivered to the subscriber and presented to the subscriber on a viewing device. An alternative advertisement that is a shortened version of the targeted advertisement is presented when the subscriber fast-forwards or skips the targeted advertisement.

It is submitted that none of the cited references disclose or suggest a method as recited in independent claim 154. For example, none of the cited references disclose or suggest an alternative advertisement that is a shortened version of the targeted advertisement being presented when the subscriber fast-forwards or skips a targeted advertisement. On page 16 of the Final Office Action, the Examiner asserts that *Hite et al.* disclose "alternative commercial for substituting (col. 3, line 45+); and changing channel during commercial (col. 8, line 1+)". The Examiner states that neither *Hendricks et al.* nor *Hite et al.* disclose alternative advertisement being a shortened version of the targeted advertisement. The Examiner relies on *Logan et al.* to teach "alternative advertisement (e.g. music without the announcement or condensed version) is a shortened version of the targeted advertisement (e.g. music with announcement or full version) – see col. 29, line 15+).

Initially the Applicant points out that the Examiner has failed to address (no reference provided and in fact not even mentioned in the Final Office Action) a feature of the claim – namely displaying the alternative advertisement when the subscriber fast-forwards or skips a targeted advertisement. Absent some disclosure, teaching or suggestion of a feature of the claim, the Examiner clearly has not established a *prima facia* case of obviousness.

Furthermore, the Examiners assertions with regard to *Hite et al.* have nothing to do with the claimed feature that an alternative advertisement that is a shortened version of the targeted advertisement is presented when the subscriber fast-forwards or skips the targeted advertisement. Rather, col. 3 simply discloses that commercials can have different classifications of preemption (can have targeted ads substituted therefore). That is, this passage deals with targeting ads and has nothing to do with what happens if a subscriber attempts to fast-forward or skip the targeted ad. The col. 8 passage simply discloses an embodiment where all the preemptive commercials are synchronized so that a subscriber will receive the targeted ad even if they switch channels. Again, this passage has nothing to do with a do with what happens if a subscriber attempts to fast-forward or skip the targeted ad.

Moreover, *Logan et al.* is directed to an audio message exchange system rather than a targeted advertising system. The passages referred to by the Examiner simply refers to a program segment consisting of an overview that a user can listen to in order to determine if they wish to listen to the entire section. That is, the overview section (which the Examiner appears to

be relating to the alternative advertisement) helps determine whether the user desires to listen to the content or skip to the next overview. This is in contrast to the embodiment as claimed, where a shortened version is presented when the user fast-forwards or skips. It is clear, that *Logan et al.* do not disclose, teach, or suggest an alternative advertisement that is a shortened version of the targeted advertisement being presented when the subscriber fast-forwards or skips the targeted advertisement, as required by claim 154.

Additionally, none of the references provide any motivation for the combination being beneficial in any manner. In fact, the motivation suggested by the Examiner (reduce time to view content) does not make sense since providing a person with an easy way to skip targeted content would diminish the functionality of a targeting system, such as that disclosed in *Hendricks et al.*, *Hite et al.* or a combination thereof. That is, providing the user with a brief overview of the targeted ad in advance of the targeted ad so as to enable them to skip the ad would diminish the purpose of providing targeted ads.

Moreover, there is no indication in any of the references that the content can be fast forwarded, and even assuming that there was, displaying an alternative ad instead of a fast-forwarding ad would not save any time as suggested by the Examiner as the motivation for combining the references.

For at least the reasons discussed above, it is submitted that claim 154 is patentable over the cited references. Claims 155-165 depend from claim 154 and are submitted to be patentable for at least the reasons described above with respect to claim 154 and for the further features recited therein. Independent claims 166 and 170 are system and computer program claims respectively. These claims are submitted to be patentable over the cited references for at least reasons similar to those advanced above with respect to claim 154. Claims 167-169 and 171 depend therefrom and are submitted to be patentable over the cited references for at least the same reasons as the claims they depend from and for the further features recited therein. Accordingly it is submitted that claims 154-171 are patentable over the art of record.

**Conclusion**

For the foregoing reasons, Applicant respectfully submits that claims 108, 109, 111, 112, 114-174, and 177-193 are in condition for allowance. Accordingly, early allowance of claims 108, 109, 111, 112, 114-174, and 177-193 is earnestly solicited.

If the Examiner believes that a conference would be of value in expediting the prosecution of this Application, the Examiner is hereby invited to contact the undersigned attorney to set up such a conference.

Respectfully submitted,



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